

The MORTGAGE BANKER

Vol. 5—No. 20



May, 1945

*Make your reservations promptly
for MBA's two big educational courses—*

Mortgage Bankers Farm Seminar

Purdue University - Lafayette, Ind. - June 25 to 30

Urban Mortgage Lending Conference

New York University - New York City - June 4 to 8

INTEREST IN MBA'S two educational courses—Purdue University for farm men June 25 to 30 and New York University for city men June 4 to 8—is increasing daily and all indications point to one of the most successful activities the Association has ever sponsored.

At this writing, the New York program hasn't been completed but the Purdue program is final and members have already received a booklet describing it. In addition, the last issue of *The Mortgage Banker* gave additional details.

The best recommendation for the Purdue meeting is the type of lender and company to whom the course is appealing. Among the registrations already made are:



DR. E. L. BUTZ

DR. E. C. YOUNG

Alliance Life Insurance Company,
Peoria (Two)

Franklin Life Insurance Company,
Springfield, Ill. (Two)

Guarantee Mutual Life Insurance
Company, Omaha (Two)

M. R. Waters & Sons, Inc., Min-
neapolis

State Life Insurance Company,
Indianapolis (Two)

Pioneer Mortgage Company, To-
peka (Two)

United Service & Research, Inc.,
Memphis (Two)

Bankers Life Company, Des
Moines

Prudential Insurance Company,
Newark (Two)

Peoples Life Insurance Co.,
Frankfort, Ind.

Winston-Salem Bond and Mort-
gage Co., Winston-Salem, N. C.

Federal Land Bank of Berkeley,
Calif.

Metropolitan Life Insurance Co.
First National Bank of Chicago

(Two)

Mutual Benefit Life Insurance
Co., Newark (Two)

King Mortgage Company, Denver
Lincoln National Life Insurance
Company, Ft. Wayne, Ind.

Many others have made tentative
reservations but have not yet designated

who will attend. The quota is rapidly being filled and prompt action is advised if you want to attend this complete study course in farm mortgage lending. *Act now without delay.*

MBA's officers are convinced that the Association is making a vital contribution to public thought by sponsoring this Purdue course. Not all of us have paused to consider the radical changes that have occurred in recent years in our agricultural economy. For example, it is surprising to know that agriculture in this country, as measured by dollar volume of physical goods, grew from a 49-billion dollar industry in 1940 to a 70-billion dollar industry in 1944.

(Continued next page)



L. E. MAHAN

G. H. PATTERSON



Gov. IVY DUGGAN



Dr. H. J. BARRE



R. H. BAUMAN



J. C. BOTTUM



DR. KARL BRANDT



DR. E. C. ELLIOTT



T. M. BUSHNELL



DR. F. F. HILL



DR. P. L. GADDIS



S. E. LELAND



DR. L. J. NORTON



DR. F. B. KNIGHT

If certain intangibles owned by farmers are added, such as cash, deposits, and savings bonds, agriculture could be rated as a 54-billion-dollar industry in 1940 and an 83-billion-dollar industry on January 1, 1944.

What is going to happen to this giant industry after the war when the demands made upon it will not be as heavy as they are today? What changes can be expected? What will it mean to farm mortgage lending? These are a few of the questions which we intend to explore fully at Purdue.

Another, of course, is the great rise in farm land prices. This has been a hot subject for about two years. Some government officials think we are at the threshold of a potential inflation which will bring disaster to the farm economy. Are they right? We intend to examine each and every factor of the subject at Purdue. As far as statistics go, a continued rise in prices and a decline in volume of sales characterized the farm real estate market during the twelve months ending March 1, 1945. The price increase for the country as a whole was 11 per cent, bringing present market prices 52 per cent above the 1935-39 average.

Gov. Duggan of FCA and Many of Country's Leading Farm Experts Speak at Purdue

The most important thing about any meeting is those who will speak. If they are specialists in their field, have had long records of successful experience in their work and speak with authority on their subjects, success is assured. This about describes those who will address the Purdue Seminar. Each speaker is either a specialist in some particular phase of agriculture or has something to offer the man interested in farm loans of the future.

Among them will be Gov. Ivy Duggan, governor of the Farm Credit Administration; Dr. H. J. Barre, head of Purdue's department of agricultural engineering; R. H. Bauman and J. C. Bottum of Purdue's agricultural economics department; Dr. Karl Brandt of Leland Stanford's Food Research Institute and director of agricultural research in Germany prior to the Hitler regime; T. M. Bushnell, in charge of Purdue's soil survey; Dr. E. C. Elliott, president of Purdue; Dr. P. L. Gaddis of the farm mortgage department of the Equitable Life Assurance Society; Dr. F. F. Hill, head of Cornell University's agricul-

tural economics department and former governor of the Farm Credit Administration; Dr. F. B. Knight, director of education and applied psychology at Purdue; S. E. Leland, chairman of the board of the Chicago Federal Reserve Bank; Dr. L. J. Norton, acting chief of the University of Illinois' department of agricultural economics; and Dr. E. C. Young, dean of Purdue's graduate school. Dr. Earl L. Butz of Purdue's agricultural economics department, will be director of the course and George H. Patterson, MBA secretary, will act as registrar.

A wide range of subjects related to the nation's farm economy and farm mortgage lending will be covered, including present-day appraisal practices, the rapid rise in farm land prices in recent years, outlook for farming after the war, the danger of inflation, possible places of private lenders in farm lending, livestock and cropping systems, soil classification, farm housing and the government's role in farm lending. President Mahan will speak on the public responsibility of private lenders.

What is the Significance of MBA's Purdue Meeting? Here's a Mortgage Man's View

What do MBA's two educational courses this year mean to the mortgage lender, what can we expect to get from them and what purpose will they serve in furthering the progress of mortgage banking? These are a few questions which a member might properly ask of the Association. They cannot be answered better than by quoting a recent letter which E. D. Schumacher, liaison officer of the MBA Educational Committee, wrote to President Mahan. As liaison officer, Mr. Schumacher, who was MBA president from 1926 to 1928, has had over-all supervision of both the city and farm programs. As an experienced mortgage man operating his own large company, his views of this activity are pertinent.

Our Educational Committee is progressing satisfactorily with both the City and Farm Loan Seminars. Principles and practices of mortgage lending and appraising will be among the important topics to be discussed. A number of very able men have accepted assignments to lecture at these courses.

Where are we to find our future loans? What is the future of interest rates? What regulations and practices should we follow? How should we meet competition? Sound and plausible answers must be found for these and many other questions if we are to keep abreast of the times and maintain for mortgage banking the important role that it plays in the nation's economy.

Every live community needs the commercial banker, and every live community needs the mortgage banker. Alert and farsighted men in both of these fields are essential for progress—men who will give to the community not only the very best they have but the best they can get. Even experienced men are not competent to meet the perplexities that arise unless they "keep on their toes" and continually add to their knowledge by systematic study and intelligent contact with able leaders.

The Educational Committee believes these Seminars for our members will throw much light on current problems in the lending field and will be of inestimable help to those who attend.

In recent years the mortgage banker has faced many obstacles that interfered with the handling of his business. In many instances, the line of least resistance has been followed and today we

have many brokers in the mortgage business, with fewer real mortgage bankers. The broker merely finds a borrower, then turns over to a government agency or others all responsibility, while the real mortgage banker not only finds borrower and lender, but appraises, makes an analysis of the security, determines desirability of loan, and guides his client in the mortgage investment throughout the term of the loan. Fair government competition is not necessarily detrimental, but certainly the community and the nation need the real mortgage banker who will keep well informed on all matters pertaining to the business, who will assume responsibility, and who will guide both borrower and lender on a safe and sound basis.

The course of instruction offered in these Seminars will be rather unique, covering a wide field of subjects relating to the mortgage business—types of loans, security, analysis of lending, FHA loans in all their aspects, loans for institutional lenders, appraising for lending purposes, and many other current and vital topics. The faculty consists of men of exceptional ability from leading American universities. These men will lecture on subjects on which they can speak with authority.

Since the lender and mortgage banker stand upon some common ground, these courses will be of interest not only to all wide-awake mortgage bankers, but to executives. The farm course at Purdue June 25 to 30 and the urban mortgage conference at New York University June 4 to 8 will be worth a mortgage man's time and expense.

MINNEAPOLIS MBA HAVING A GOOD MEMBERSHIP YEAR

The government will likely want to keep interest rates low in the postwar period to accelerate the huge volume of home building anticipated, Oliver Powell, executive vice president, Federal Reserve Bank of Minneapolis, told members of the Minneapolis MBA at their recent meeting. Guests included Welles Hodgson, president of the Building Owners and Managers Association, and Frank Howe of the St. Paul MBA. A resolution of sympathy was passed to be presented to Frank Mulcahy, a past president of the Chapter, on the death of his wife.

The next meeting, according to Fred L. Chapman, president, will be a joint session with a group of contractors and FHA officials and will be devoted to the general theme of "Minimum Construction Requirements." The Chapter, under President Chapman's direction, is having an excellent year. So far ten new members have been added. Walter C. Nelson is vice president, P. R. Harrison, treasurer and J. G. Goodspeed, secretary. Board members include Oliver W. Anderson, Paul Bauer and C. E. Spring. President Chapman has named these committee chairmen: Frank Vroman, legislative; Walter Wallace, mortgage practices; Paul von Kuster, grievances; B. N. Bell, G.I.; Robert White, entertainment; and Leo Reuder, legal. He has taken the membership chairmanship. Mr. Chapman believes, as do a host of other mortgage men, that one thing vitally needed today is a great deal more information about what it costs to operate a mortgage business. The data, as he points out, should be brought up to the minute and should be detailed as to each individual mortgage operation.

REED COYLE IS NAMED

Reed B. Coyle of Pittsburgh has been named by President Mahan as the Association's representative on the Standing Committee for Prefabricated Homes being organized by the Division of Trade Standards of the Department of Commerce. This committee will review proposed revisions in commercial standards.

MBA Will Cooperate with National Safety Council to Cut Toll of Home Accidents

Home accidents took a total of 32,500 civilian lives in 1943, 7 per cent more than in the previous year. This 1943 total was the highest since 1936 and shows the great social and economic loss being sustained in the American home today. Such a condition has the greatest interest for mortgage leaders who are financing homes. Now is a good time to be thinking about what we can do to cut this loss drastically.

MBA has joined its efforts with those of other associations to cooperate with the National Safety Council in cutting home accidents. Just what form our participation will take has not been fully determined but in the future members' aid and assistance will probably be sought in an educational campaign.

Secretary George H. Patterson represented MBA at the recent meeting of the technical advisory committee of the Home Safety Division of the Council. This group explored the factors which will influence postwar design and construction of homes and home equipment and reviewed the possibilities of a "seal of approval" for a "safe" dwelling. They also looked into the safety-through-design factors that could be incorporated in state and city codes, FHA regulations and manufacturers' standards.

The death toll isn't all there is to the story by any means. Non-fatal injuries resulting from home accidents in 1943 totaled 4,850,000 including approximately 130,000 permanent disabilities cases. The wage loss, medical expenses and overhead cost of insurance associated with 1943 home accidents totaled \$600,000,000. Home fires, incidentally, in 1942 (latest year for which data are available) destroyed property valued at \$89,600,000.

Serving with Secretary Patterson on this advisory committee are George Alder of Good Housekeeping Institute, Carl F. Boester of Purdue's Research Foundation, Clarence Farrier of the NHA, Franklin Hardinge of the U. S. League, George Fred Keck, architect,

H. Evert Kincaid of the Chicago Plan Commission, Joseph E. Merrion, presi-

dent of the Home Builder Association, Tyler Stewart Rogers of Owens-Corning Fiberglas Corp., Henry Wright of *Architectural Forum* and William W. Wurster of Massachusetts Institute of Technology.

FHA'S Appraisal Contribution

One of the really significant contributions being made today toward more sensible appraising during these times when it often seems that such a thing is no longer very common, is the publication of *Appraisal Briefs* by the Chicago MBA under the general theme of "better loans through better appraisals." In the last *Local Chapter News*, we introduced some observations from these reports. Here is another:

Of paramount concern to the mortgage industry is the increasing differential between cost and market price of real estate, and the consequent challenge to meet the increasing demand for real estate mortgage money.

The impact of the shortage of housing facilities, especially in areas producing war materials, and the duress of securing living accommodations regardless of cost, present a problem to the mortgage industry which daily indicates the wisdom of leadership set by governmental agencies to combat the inflationary trend.

In casting about for some medium of "holding the line" against inflation in real estate, especially in the residential field, the most potent control factor is conceded to be sound, logical, realistic appraisal methods. Outstanding in a policy of "holding the line" against inflation and in attempting to distinguish between sound value and price is the FHA.

The soundness of FHA appraisal method is acknowledged by the mortgage industry, and applied to mortgage lending offers a control against frenzied, disastrous financing of real estate for the following reasons:

1. Offers a uniform method, which has successfully been used nationally, as a basis for arriving at loan value.

2. Presents a pattern which takes into consideration all of the principal factors which go to make up a sound appraisal.
3. Disregards the premiums being paid because of the necessity of immediate occupancy in giving consideration to the final value estimate.
4. Reflects national as well as local conditions.
5. Precludes pressure on appraisers in order to meet competitive lending.
6. Curbs indiscriminate lending because of the motive for profit or ignorance of sound appraisal methods.

Sound appraisals by lending institutions who, together with the FHA, underwrite the majority of real estate lending for home owners, effectively enable application of the "hold the line" policy against inflation and protect the public as well as give the real estate mortgage lending industry a medium of control. Such control would prevent, or at least ameliorate, first, the disastrous effect of uncontrolled financing so that the mortgage industry would be relieved of the responsibility for having encouraged the inflationary market; and, second, the inevitable results of subsequent depressed real estate values and loss of investment to the public.

MBA Is Having Its Best Year in History in Securing New Members; Total Nears 1,000

Despite the fact that MBA had to abandon its 1945 program of meetings—which, in the past, has always been a stimulus for interesting new members in the Association—the membership campaign is going ahead at a faster clip than ever before.

As of April 26, we had 110 new members who have either been officially admitted or have applied for membership. This is the best record we have ever had at this period of the Association year. It compares with 66 new members on April 6, 1944, 88 on the same day in 1943 and 57 on the same day in 1942. (On April 6, 1945 we had 98.)

What is even more significant is that all new members for this Association year, which began September 1, 1944, with a few exceptions, are regular members. In previous years a much larger portion was associate memberships. Total membership now stands at 983 which includes those who have been officially admitted and a limited number whose names have not yet been submitted to the board of governors and executive committee for approval.

The membership campaign is under the direction of John C. Thompson of Newark who is being ably assisted by a hard-working crew of state membership chairmen. The growth in membership is well diversified geographically and is especially noteworthy because many new areas, where MBA was formerly represented with only a few members, are being opened up.

Although our membership campaign is proving more effective this year than ever before, the emphasis is not on numbers but on securing a more well-rounded representation of mortgage lending interests. As a result, more mutual savings banks, commercial banks and life insurance companies are joining.

The high man in the campaign so far this year is Frank A. Weber, membership chairman for New Jersey, who

is credited with ten new members. He is followed by Ward Gauntlett, Illinois, with nine, Charles H. Hayes, New York, with eight, and Charles H. Christel, Missouri, with seven. Charles F. Rambour, Jr. of Nebraska, ably assisted in his efforts by our board member, C. W. Mead, has five new members to his credit. All of the membership chairmen are working and showing excellent results and each one deserves special commendation:

Members will be interested in noting that we now have three Canadian members. The first was the Manufacturers Life Insurance Company announced last December. Since then The Great-West Life Assurance Co. of Winnipeg and the Sun Life Assurance Company of Montreal have been admitted.

Since we last published a list of new members in December, 1944, these members have been admitted:

Jack Collier East & Co., Little Rock; D. L. Stokes and Company, Inc., Atlanta; Richard D. Langan & Company, Louisville; The Summit Mortgage Co., Akron; and John Davis & Co., Seattle.

West and Company, Louisville; Lamar Realty Agency, Meridian, Miss.; First National Company, La Feria, Tex.; University National Bank of Seattle; and D. D. Schroeder & Co., Minneapolis.

W. L. Thaxton & Co., Houston; Lincoln Liberty Life Insurance Co., Lincoln; National Equity Life Insurance Co., Little Rock, and W. P. Bridges, Jackson, Miss.

Mahaska State Bank, Oskaloosa, Ia.; Forrest City Realty-Insurance & Loan Corporation, Forrest City, Ark.; Chas. R. Dorsey, West Palm Beach; Mortgage Service

Corporation, Pittsburgh; and Louis K. Boyesen, Chicago (Honorary).

Woodley & Chesterman Mortgage Corporation, Richmond; H. L. Harty, Sikeston, Mo.; Guaranty Bank & Trust Co., Alexandria, La.; First Trust & Deposit Company, Syracuse; and San Diego Trust & Savings Bank, San Diego.

North River Savings Bank, New York City; V. F. Buchek Co., San Antonio; David P. Jones & Company, Minneapolis; Watchung Title and Mortgage Guaranty Co., Montclair, N. J.; E. H. Crump & Company, Memphis; and Ralph M. Picken, Rockford, Ill.

John Nordman Company, St. Louis; F. R. Armstrong & Company, St. Louis; First National Bank of Madison, Wis.; The Seldin-Mittelman Organization, Jamaica, N. Y.; and Herbert A. Rogers, Rochester, N. Y.

First Mortgage Corporation of Chicago, Chicago; A. M. & F. J. Cornwell, Inc., St. Louis; Memphis Realty Co., Memphis; Consolidated Realty Co., Memphis; Marc Wile, Inc., Memphis.

The Montclair Savings Bank, Montclair, N. J.; The National Company of Omaha, Omaha; The Service Life Insurance Co., Omaha; Title Guarantee & Trust Co., Birmingham; and The Central Trust Co., Cincinnati.

G. Calvert Bowic, Washington, D. C.; Floyd W. McBurney, Madison, Wis.; Oklahoma Mortgage and Realty Co., Oklahoma City; Columbia Federal Savings and Loan Association, Washington, D. C.; and Monumental Life Insurance Co., Baltimore.

Central Savings Bank of Baltimore; Guarantee Mutual Life Company, Omaha; Tower Grove Bank and Trust Co., St. Louis; Community National Bank of Pontiac, Pontiac, Mich.; and The Colonial Trust Co., Pittsburgh.

Union County Trust Company, Elizabeth, N. J.; B. C. Ziegler and Company, West Bend, Wis.; Iowa Hardware Mutual Insurance Co., Mason City, Ia.; J. C. Nichols Company, Kansas City, Mo.; and Pool Insurance Agency, Chickasha, Okla.

B. C. Clark Realty Co., Huntington, West Va.; Daniel Cary Company, Omaha; Mutual Bank and Trust Co., St. Louis; Irving Trust Company, New York City; The Great-West Life Assurance Co., Winnipeg, Canada; and Sun Life Assurance Company of Canada, Montreal, Canada.

Associate Members

L. R. Reifsnider, Cleveland; and Seattle-First National Bank, Seattle.

MAURICE C. MACKEY NEW INDIANAPOLIS MBA HEAD

Maurice C. Mackey, president, Mortgages, Inc., has been elected president of the Indianapolis MBA to succeed H. Duff Vilm. Carl J. Getz, vice president, American United Life Insurance Company, was elected vice president and John R. Moynahan of John R. Moynahan Properties, Inc., was elected secretary-treasurer.

CHAPTERS • EVENTS • PEOPLE

SERVICING TEST TO COME LATER, SAYS LT. LANPHAR

More than 250 Chicago mortgage men heard a seaman and navy nurse relate their war experiences at the annual Spring meeting of the Chicago MBA. They were introduced by Lt. Melvin F. Lanphar who in peacetime headed his own Detroit mortgage house but for the past two and a half years has been in the Navy. In his remarks he said he had been away from the mortgage business too long to be fully aware of all of the problems now confronting the industry but added that he knew of the extremely competitive conditions now existing.

"You have had manpower and priority problems, but your servicing has been easy. The test there, however, is to come later."

The G. I. Act has been a big help, he said, and complimented the savings and loans for their active interest in this type of lending. He said he hoped mortgage men would show more interest in it than they have in the past.

News of President Roosevelt's death was announced about two hours before the meeting began but Chapter officials decided that the nature of the program was such that it would be best to proceed. Among the out of town visitors was Leslie N. Jull of Lt. Lanphar's firm.

DES MOINES MAY SPONSOR CLASSES IN GI-FHA LOANS

Des Moines MBA is planning a course of instruction on how the combination FHA-G.I. loans should be handled similar to the one recently sponsored by the Chicago MBA (*Local Chapter News*, April 15, 1945). In Chicago, FHA and VA officials cooperated with the Chapter in holding a series of classes designed to show lenders all details of how the loans should be processed. Des Moines MBA, *Local Chapter News* understands, will use a similar system. Chicago's undertaking was highly successful with 152 representatives of member firms registering.

Also from Iowa comes an item of interest about the State Chapter. In the current issue of its new *Mortgage News*,

is a story telling of the recent legislation enacted by the legislature, effective July 4, by which Iowa life insurance

companies are permitted to make loans up to 66⅔ per cent of the value of the property.

As the VA Sees the G.I. Bill

It won't be news to any mortgage lender that the G.I. lending program is moving pretty slowly, that the complaints about the whole set-up are increasing daily and that, if past experience is any guide, there are likely to be some changes before not very long. In the last issue of *Local Chapter News* we collected the most significant and up-to-the-minute information we could get on the status of the program so far. As the issue was on the press, we received a letter from Francis X. Pavesich, chief, VA loan guarantee division, which was in reply to an earlier request. We commented briefly on his views then; here is his complete statement. Mr. Pavesich is optimistic that the present set-up will work out satisfactorily. We hope he is right. MBA members will extend him every cooperation to make that possible. Pavesich told us that (the italics are ours):

It was a little difficult to estimate the number of loans that would be guaranteed under the Servicemen's Readjustment Act as it was altogether a new venture dealing with prospective borrowers, many of whom would have limitations which would distinguish them from the ordinary type of borrower who usually contacts general lending agencies. Considering the fact that all the men who have been discharged from the Army to date, who would be prospective borrowers, have been released for some particular reason, I would say that the operations so far exceed our expectations but such accomplishments by no means afford a fair measure of the volume that may develop when the great number of physically sound, alert veterans return to re-establish themselves in their communities with, in many instances, a substantial accumulation of savings.

A strict interpretation of reasonable normal value is not having a retarding effect on the number of loans consummated. It is, in many instances, protecting veterans from paying unreasonably high prices on an inflated market from which there are many reasons to believe there will be a re-

cession in values and few considerations that would tend to indicate a stabilization of present prices. Many of the veterans are persons unfamiliar with financial transactions and have little, if any, knowledge of real estate values. There have been some undoubtedly who have been saved from becoming victims of high pressure selling campaigns and real estate speculators and operators whose primary consideration is their own profit.

The law in its present form is workable. Minor modifications or clarifications may be made in some instances and our own method of operation can and undoubtedly will be improved. Where and how the changes should be made is a matter that will be developed as a result of further experience so that when the time arrives to handle the substantial volume of business that is anticipated the organization will be functioning with expedition and efficiency.

The interest of your organization in this program is greatly appreciated and the writer would be happy to have the opportunity of furnishing more detailed information at a later date when the same is compiled.—Francis X. Pavesich.

The MORTGAGE BANKER

Published Monthly at 111 West Washington Street, Chicago 2, by the
MORTGAGE BANKERS ASSOCIATION OF AMERICA

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MAY, 1945

Packaged Loan

In the March issue of *The Mortgage Banker* we made a few observations of what some people are calling the "packaged mortgage" which covers certain household equipment such as refrigerator, range, etc. L. Douglas Meredith, of National Life of Vermont, has announced that his Company will make such a loan but it will include "the stipulation that some degree of affixation of the article to the real estate will be required." This has been one of the chief criticisms of such a mortgage in the past. Manufacturers have long been after us to lend our support to this type of loan. Maybe Mr. Meredith is leading the way for others to offer this type of mortgage.

Here is what Mr. Meredith told his correspondents and district supervisors in his initial announcement:

"The Committee on Finance has voted, until further notice, to consider as part of real estate security for loans, new gas or electric appliances such as ranges and refrigerators for which reasonable values are included in the appraisal at the time the application is submitted, subject to rules and regulations which will be prescribed by the Company's Legal Department.

"Certain general principles for the legal treatment of such appliances as fixtures constituting a part of the real estate security will be observed in all jurisdictions. For example:

1. Some degree of physical affixation to the real estate will be required, at least by means of electrical plug-in or gas connection;

2. An appropriately worded notice or identification, assigning to the article in question the character of real estate,

will be attached or affixed to the fixture, presumably at or near the location of the plate carrying the serial number and other identifying material. The approved text is as follows:

This appliance is a real estate fixture, installed in this home by the owner, intending thereby to constitute it a part of the freehold, and subject to the rights of mortgagee of record.

3. The real estate mortgage will include appropriate provisions as to intention of the parties to regard the equipment as real estate;

4. Supplementary cross indexing, filing or recording in the personal property records in certain states will be accomplished as and when prescribed by the Legal Department.

"It is our belief that, in adopting a policy of the kind set forth, we are offering to the Company's loan correspondents a splendid opportunity to increase the volume of new loan applications as soon as construction is resumed. The so-called 'packaged mortgage' is in accord with the most recent thinking in the field of mortgage investments."

Likes the FHA Idea

Because the insurance idea embodied in FHA has been a success, many people think the same thing can be worked in other types of lending. The FHA principle has been proposed by all sorts of people for all sorts of financial transactions. Latest is Maury Maverick, chairman of the Smaller War Plants Corp., who declared that "If we are to have expansion, full production and full employment by small business, these handicaps (financial) must be removed. I propose a system of credit insurance, similar to that used by FHA."

Seen and Heard

President Truman's first major appointment was **John W. Snyder** of the First National Bank of St. Louis, a member of MBA. . . .

Greenebaum Investment Co., Chicago, is celebrating its 90th anniversary . . . during its entire history it has had only three heads of the business . . . **Edgar N. Greenebaum** has headed the firm since 1934. . . . Chicago MBA has just issued its 1945 Roster of Members and Code of Ethics and by-laws . . . it's an excellent publication . . . every chapter ought to have one. . . . Chapter secretaries should write **Marguerite Moyer**, 166 West Jackson Blvd., for a copy . . . it is supplemented by a mimeographed list of members showing the person in each firm to contact on mortgage matters. . . .

Down in **Birmingham** we note that our Chapter there has gone on record as favoring the "immediate sale of the old courthouse site" . . . we don't know anything about it but that's what we saw in the *Birmingham News*. . . .

Have you mailed that postcard we sent you on which you were asked to register your opinion as to whether FHA and the Federal Home Loan Bank Administration should be restored to the Federal Loan Agency? . . . if not, do so promptly. . . . **President Mahan** wants any further MBA action in this matter to be fully representative of the majority opinion. . . .

President Mahan has accepted appointment on a committee organized by the National Association of Housing Officials to study future cooperative efforts of housing authorities and private interests . . . first meeting is scheduled for May 18 in Washington . . . **Iowa MBA** is forging ahead in membership . . . **E. R. Haley**, president, reports Member No. 61 just admitted.

Minard T. MacCarthy, who has been with the Penn Mutual in St. Louis for many years, has resigned to become vice president of the **Industrial Bank and Trust Company** in that city in charge of the real estate loan department . . .

MBA AT WAR

In recent issues of The Mortgage Banker and Local Chapter News we have published lists of men from MBA member firms now in the armed services. Back in 1942 we did the same thing. These recent lists represented an attempt to find out where these men were now, what they're doing and report anything else about them of interest. We suspect, however, that some of the information recently published may have become out of date between the time we got it and the time you read it—so fast are men in the service sent from one place to another. But based upon what we know now, here is another list of people you know.

James W. Rouse, president of The Moss-Rouse Company, Baltimore, entered the Navy in August 1942 and is now a Lieutenant, senior grade. He served on Admiral Tower's staff until December of last year and saw plenty of service in the South Pacific. He's now at Pensacola. Hunter Moss, vice president of this Company, entered the Marines in December, 1942 and is now a Captain. He went through the fighting on Saipan.

Paul C. Reed, secretary of the Wayne Mortgage Company, Inc., Ft. Wayne, who has been overseas for the past two years, is now in Germany in the replacement division. Before embarking, he took a nine months' course at Purdue preparing for foreign duty.

From Cooper, Kanaley & Co., Chicago, we learn that Frederick W. Cooper, Jr. is now a top gunner on a B-29 and has made a number of missions over Japan. Robert Nickells is in the personnel department of Lockheed in California and Tech. Sgt. Willard Tyler is in the army air corps somewhere in the European theater. E. Cherry is in the signal corps and D. Miller is a WAC officer in Europe. J. W. Coverick is with the Pullman Company aviation branch and E. T. Wilde is a war plant comptroller in Chicago.

FREDERICK P. CHAMP REELECTED TO CHAMBER

Frederick P. Champ, president of the Utah Mortgage Loan Corporation, Logan, Utah, and former president of MBA, has been reelected a director of the United States Chamber of Commerce from his district. This will be Mr. Champ's second term.

W. A. CLARKE, MODERATOR AT PITTSBURGH MBA MEET

Pittsburgh MBA is sponsoring a meeting in cooperation with the Allegheny County Home Builders. W. A. Clarke, Philadelphia, chairman of MBA's Clinic and Conference Committee, will preside as moderator and

the meeting will be handled in MBA Clinic style. Some of the subjects up for discussion are "Rent Control versus Resumption of Building" and "How Can FHA Help in Postwar Planning."

DETROIT MBA POLLING MEMBERS ON G. I. LOANS

Edward I. Cushman, state director of the Michigan War Manpower Commission, was the principal speaker at the recent Detroit MBA luncheon meeting and discussed the manpower outlook for that area. The Chapter is polling its members to determine which ones will make G. I.-FHA loans, G. I. business loans and G. I. loans combined with conventional loans.

FHA Veterans Advt. Campaign Begins Soon

Very soon — if they haven't already — FHA approved mortgagees will receive a pamphlet showing the 14 advertisements which FHA has prepared appealing primarily to veterans and describing what the agency has to offer them in the way of financing. The series is exceptionally well done, in our opinion, and represents sound thinking

from an advertising point of view as well as from a psychological and policy standpoint.

No doubt many MBA members who are approved mortgagees will soon be using these advertisements in their daily newspapers. Most of them can be adapted for joint sponsorship by a chapter or the approved mortgagees in a chapter.

About 4,000 newspapers over the country are receiving the matrices and proofs and approved mortgagees need only call their advertising departments and specify the advertisement they would like to insert. This effort of FHA's seems to us to be a commendable one and should go a long way to clarify the public's misconception of various aspects of the present program.

MBA members can write direct to H. P. Daugherty, Director, Finance and Industry Division of FHA for additional information. He will be glad to answer any questions they may have. During these times of acute newsprint shortage newspapers generally are having a difficult time running the advertising offered to them, must less soliciting any more. MBA members who encounter any difficulty along these lines, might point out that practically all newspapers give a high priority to advertising which has a direct bearing on the war effort — such as war bond copy, etc. This copy is in the same general classification and members will have no trouble in getting that point across.

MORTGAGE MAN AVAILABLE

Mortgage loan executive experienced in appraisals, processing, closing and servicing of loans, property management and sales. Knows field man's problems. Desires position as correspondent or supervisor for insurance company or bank. Will travel. For details write Box 100, Mortgage Bankers Association of America, 111 W. Washington Street, Chicago, 2.

MORTGAGE MAN AVAILABLE

Wants to locate South or West because of ill health of members of his family. For past 14½ years office manager of Iowa branch of large life company. Previously with title and trust company in Kansas for 10½ years. Thoroughly familiar with both city and farm loans, field work and office supervision. Would be particularly interested in Denver, Los Angeles, San Antonio, Houston or Dallas. Write in confidence to Box 101, Mortgage Bankers Association of America, 111 West Washington Street, Chicago 2.

Also from Chicago and from Draper and Kramer, Inc. comes the report that Capt. Robert H. Pease of the Marines is on active duty in the Pacific as an air combat intelligence officer. Capt. Pease is vice president of the Company. Capt. Arthur W. Draper, III, son of Arthur W. Draper, Jr., is also a vice president and has been through the entire Burma campaign.

5